

## CHAPTER 3-05-02 SUBMISSION OF REPORTS

### Section

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**3-05-02-01. Submission of reports.** When so directed by the board, each firm which performs compilation services but no audit or review services, shall furnish to the board, with respect to each office which performs compilation services for clients in this state, one copy of a compilation report plus accompanying financial statements issued by that office during the preceding twelve-month period, if any such report was issued during such period. If the firm has produced a compilation with full disclosures, then this type of compilation must be furnished. Related workpapers are to be furnished also, when requested by the board.

**History:** Effective June 1, 1988; amended effective July 1, 1991; March 1, 1995; September 1, 1997; September 1, 2001.

**General Authority:** NDCC 43-02.2-03

**Law Implemented:** NDCC 43-02.2-06

**3-05-02-01.1. Peer review.** When directed by the board, a firm which performs audit or review services, is required to undergo a peer review conforming to the standards of the AICPA peer review program, or a program deemed comparable in the opinion of the board. A copy of the report of such review and the letter of acceptance, plus the letter of comments and letter of response, if any, are to be submitted to the board.

**History:** Effective July 1, 1991; amended effective March 1, 1995; September 1, 1997; September 1, 2001.

**General Authority:** NDCC 43-02.2-03

**Law Implemented:** NDCC 43-02.2-06

**3-05-02-02. Exception to submission of report.** The requirements of sections 3-05-02-01 and 3-05-02-01.1 may not apply with respect to any office which within the three years immediately preceding the registration had been subjected to a review under the AICPA peer review program, or a program deemed comparable in the opinion of the board; provided, that a copy of the report of such review and the letter of acceptance, and if applicable the letter of comments and letter of response are submitted with the registration renewal.

**History:** Effective June 1, 1988; amended effective July 1, 1991; March 1, 1995; September 1, 1997.

**General Authority:** NDCC 43-02.2-03

**Law Implemented:** NDCC 43-02.2-06

**3-05-02-03. Format of report.** Any documents submitted in accordance with section 3-05-02-01 may have the name of the client, the client's address, and other identifying factors omitted, provided that the omission does not render the type or nature of the enterprise undeterminable.

**History:** Effective June 1, 1988; amended effective March 1, 1995; October 1, 1999.

**General Authority:** NDCC 43-02.2-03

**Law Implemented:** NDCC 43-02.2-06

**3-05-02-04. Request of additional information.** The positive review program committee or the board may also solicit for review financial statements and related reports of firms from clients, public agencies, banks, and other users of financial statements.

**History:** Effective June 1, 1988; amended effective March 1, 1995; October 1, 1999.

**General Authority:** NDCC 43-02.2-03

**Law Implemented:** NDCC 43-02.2-06

**3-05-02-05. Confidentiality of information in report.** The identities of the sources of financial statements and reports received by the board or its agents from other than the firm that issued the reports must be preserved in confidence. Reports and other materials submitted to the board or its agents pursuant to sections 3-05-02-01, 3-05-02-01.1, 3-05-02-02, and 3-05-02-04 and comments of reviewers, the positive review program committee, and the board on such reports or other materials relating thereto, must also be preserved in confidence except to the extent that they are communicated by the board to the registrant who issued the reports, and except to the extent that the open records law of North Dakota is not violated.

**History:** Effective June 1, 1988; amended effective July 1, 1991; March 1, 1995; October 1, 1999.

**General Authority:** NDCC 43-02.2-03

**Law Implemented:** NDCC 43-02.2-06